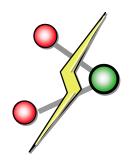


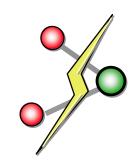
Agenda

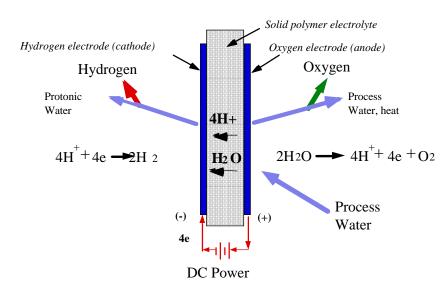


- Introduction to a Regenerative Fuel Cell
- Key Technical Issues
- System Design
- System Testing
- Product Attributes
- Market Scope and Drivers
- Future Development Needs
- Summary

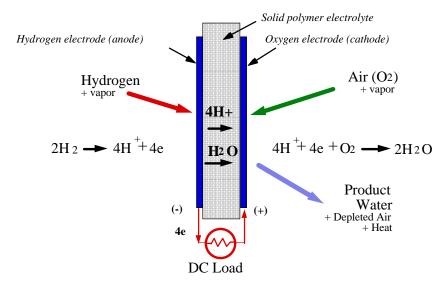


Regenerative Fuel Cell Electrochemistry





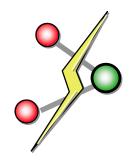
Hydrogen Generation Mode

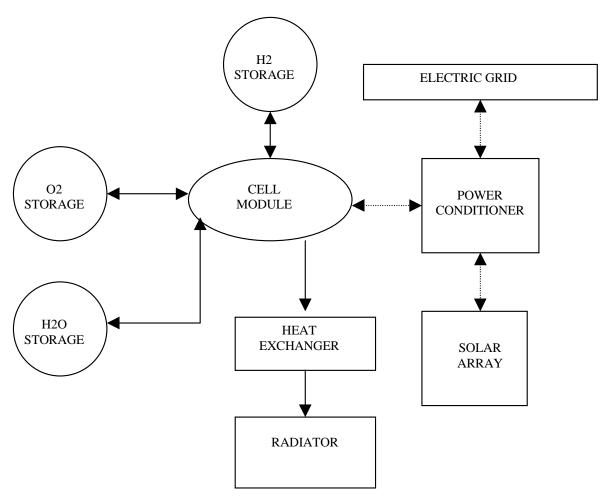


Power Generation Mode



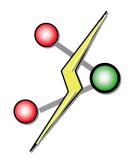
Regenerative Fuel Cell System Block Diagram



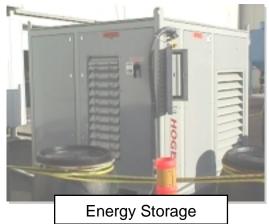


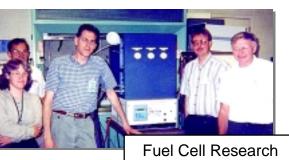


Field Experience Further Supports System Design Efforts





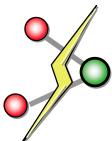








High Pressure PEM Electrolysis Provides the Design Basis for URFC's



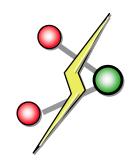








Key Technology Challenges



Reversible Cell Structure

- Fuel Cell/Electrolysis Transition
- Reversible Oxygen Electrode
- Materials Challenges

High Pressure Gas

- Cell Structure
- Oxygen/Hydrogen Safety

• Difficult System Integration

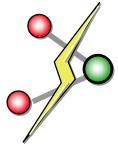
- Multifunction Process
- Control Requirements

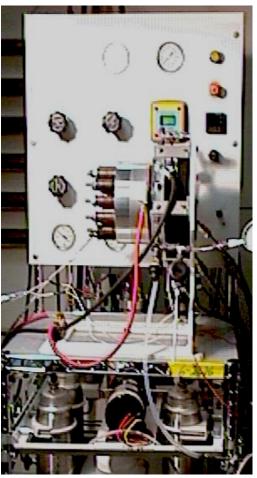




Design Strategy

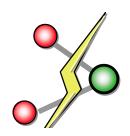
- PROTON's Proprietary
 Electrolyzer Cell and System
 Configurations Serve as Design
 Basis
- Cell Design Modified to Include Features Necessary for Fuel Cell Operation
- System Electrolysis Fluids Process and Control Loop Modified to Incorporate Provision for Gas/Water Reversal
- Design Process Supported With Laboratory Test System







EPRI Sponsored URFC Demonstrator





250 Watts

200 Watt - Hours

Fully Automated

150 PSI Capable

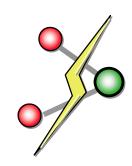
0.1 Ft2 Active Area Cell Design





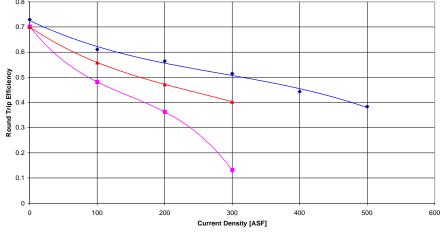


URFC's Can Offer a 40 - 50% Electric to Electric Round Trip Efficiency



- Round Trip Efficiency Depends Heavily On Duty Cycle
- Other Factors Must Be Considered
 - Power Conditioning Losses
 - System Parasitics
 - Gas Storage Efficiencies
 - Useful Heat Recovery





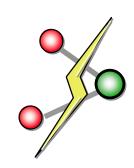
◆ UNIGEN @ 119 F 40/50 PSIG H2/O2

■LLNL URFC @ 120 F 40/50 PSIG H2/O2

▲ Literature Reference Fuel Cell/ NASA Hogen 10 Electrolyzer @120 F 140/118 PSIG H2/O2 normalized

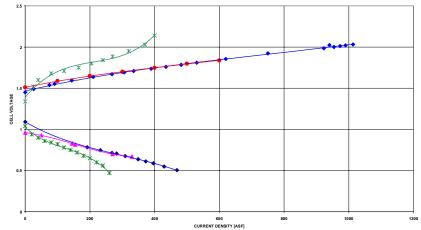


Moderate Pressure Testing Shows Comparable Performance to Dedicated Systems



- Nafion 117, 0.1 Ft2 Active Area Cells
- 120 F, 40 50 PSIG Gases
- >150 Round Trip Cycles
- > 300 Hours of Operation

PROTON UNIGEN [™] COMPARISON

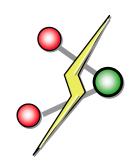


- ◆ UNIGEN FUEL CELL MODE @ 119 F 40/50 PSIG H2/O2
- UNIGEN ELECTROLYZER MODE @ 119 F 40/50 PSIG H2/O2
- △ Primary Fuel Cell Literature Reference @ 120 F 80/85 PSIG H2/O2 (see footnote)

 PROTON NASA HOGEN 10 ELECTROLYZER @ 119 F normalized 200/150 PSIG H2/O2
- **LLNL URFC ELECTROLYZER MODE @ 120 F 40/50 PSIG H2/O2 (see footnote)
- XLLNL URFC FUEL CELL MODE @ 120 F 40/50 PSIG H2/O2 (see footnote)

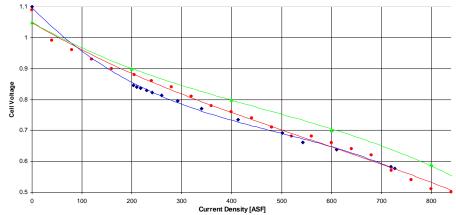


Higher Pressure Fuel Cell Performance



- Much Higher Voltage Performance
- URFC's Deviate Slightly From Dedicated Fuel Cell Performance

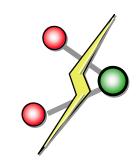
UNIGEN [™] Performance Comparison



- ◆ UNIGEN Fuel Cell Mode @ 189 F 80/95 PSIG H2/O2 ▲ UTC Fuel Cell @ 180 F 80/100 PSIA H2/02 *
- LLNL URFC Fuel Cell Mode @ 195 F 78/145 PSIG H2/O2



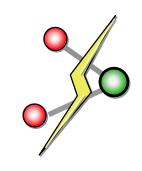
URFC's Can Compete With Diesel Generating Sets in Many Instances



	Diesel Genset	URFC
Reliability	Med	High
Maintenance	Refurb Needed After 3-	40,000 + Hours Before
	5000 Hours	Stack Maintenance
Noise	Noisy	Quiet
Efficiency	30% Typical	30-50% Possible
Fuel Issues	Fuel Can Contaminate	H2 Clean & Dissipates
	Groundwater	Immediately
Load Following	Poor Idle Will Consume	Direct & Instantaneous
	Fuel	



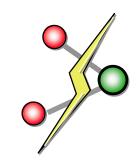
URFC's Provide a Lower Cost Energy Storage Alternative Over Batteries in Many Instances

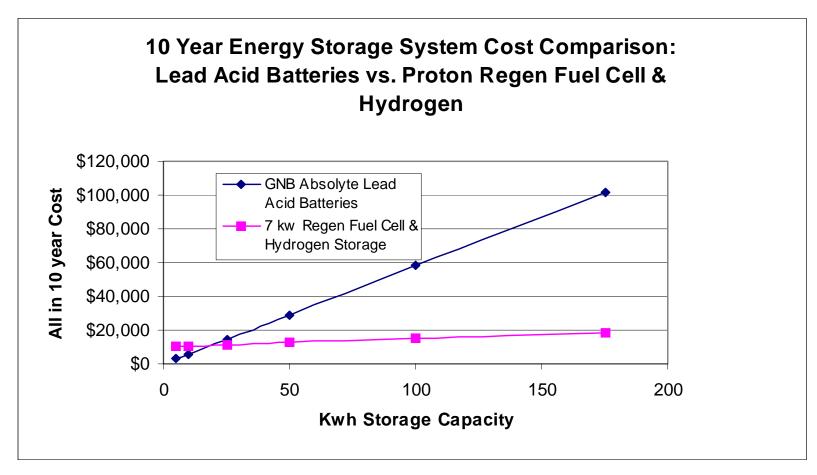


	Batteries	URFC
Life Cost 200kwh System	\$120,000	\$20,000
Incremental Additional	\$150-300/Kwh	\$30/Kwh
Storage Life Cycle Cost		
Calendar Life	5-8 Yr.	System: 20 Yrs With
		Maintenance
Cycle Life	6400 @ 10% DoD	20,000+ Cycles @ 100%
	800 @ 100% DoD	DoD
Maintenance Required	Complete Battery	Cell Stack Only Refurb
	Replacement After Cycle	After 60,000 Hours
	Life Or Calendar Life	
	Limit Reached	
Environmental Operating	Batteries Need Indoor	H2 Stored Outside
Hazard	Storage, Acid Present	System Can Be Either
		Indoor Or Outdoor
Disposal Hazard	Lead, Acid Issues	None : Discharged System
		Has No Hazardous
		Materials



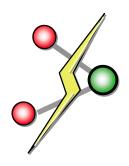
Energy Storage System Cost Comparison



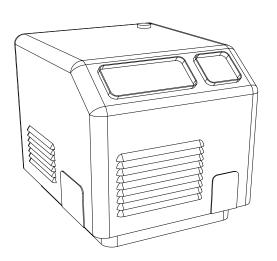




Market Challenges



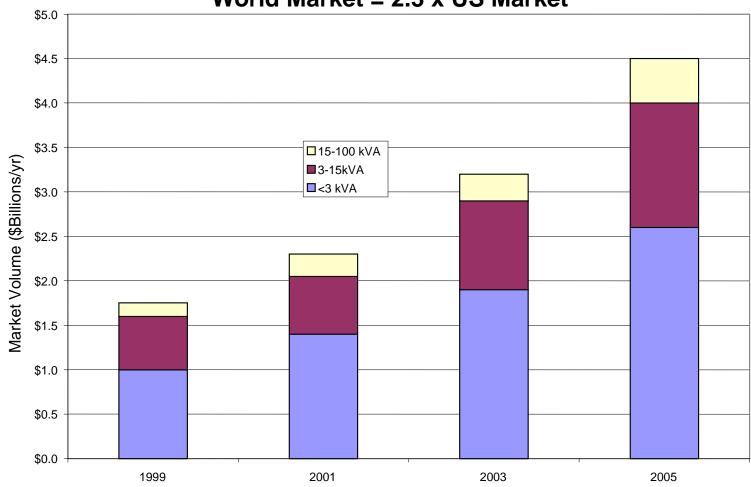
- New Mode of Energy Storage & Power Delivery
- Perceived Technology Risk
- Entry Level Cost
- Acceptance of Hydrogen Storage
- Integration into Existing Applications

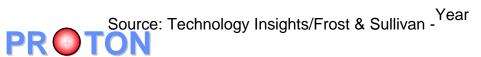




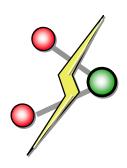
UPS Systems: US Market

US Annual Market Volume for UPS Systems <100 kVA World Market = 2.3 x US Market





Future Development Needs

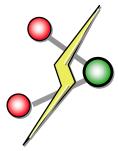


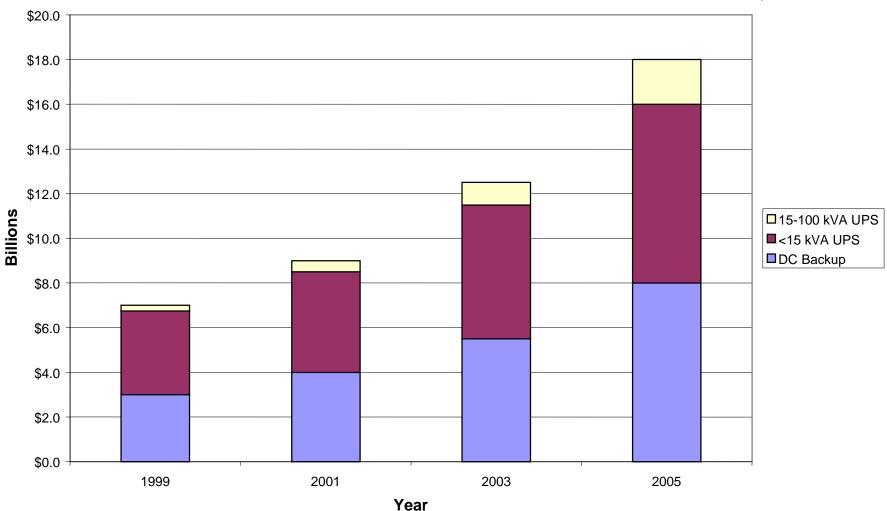
- Parametric and Life Testing of Advanced Configurations
- Scale-up to 1 10 kW Range
- Establishment of Product Requirements With End Users
- Initiation of Product Development Efforts





Global Backup Power Market

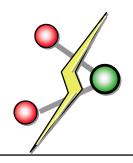






Source: Technology Insights/Frost & Sullivan

Summary



- Key Technical Challenges Relative to Regenerative Fuel Cells Have Recently Been Addressed
 - Reversible Cell Structure
 - High Pressure Gas Generation
 - System Integration
- Technology Demonstrated in a 250 W Laboratory Scale System
- Multi-Billion Dollar Markets Exist for Battery and Diesel Generator Replacement
- Product Development Efforts are a Logical Next Step
 - Advanced System Component Testing
 - Scale-up to 1-10 kW

